

3.02.00.00 - EXPENDITURE AUTHORIZATION (EA)

3.02.01.00 **General**

An EA is a six-digit numeric code used in the Department to identify and classify all increments of work, expenditure or revenue. An EA is a record stored in TRAMS (EA Table) that authorizes, classifies, and reports expenditures. No expenditure may be recorded in TRAMS without a covering EA.

3.02.02.00 **Multiphase EAs**

Multiphase EAs (0X01XX to 4X99X9) are for projects with more than one phase (category) of work that require separate EA accounting for each phase. A multiphase EA is structured as follows:

XXXX Four Characters	X Fifth	X Sixth
Basic Serial Number (First character is in range 0-4)	Segment Code	Phase Code (Phases specific to R/W activities are 2, 9, and H)

The first four digits of the EA comprise the Basic Serial Number of a project. The district assigns this number before work is started on the Project Study Report, and the number is retained for the entire life of the project, including all phases of work.

The fifth digit of the multiphase EA identifies the project segment, if the project is segmented.

The last or sixth digit represents the phase of the project. The functional phase codes are as follows:

<u>Phase</u>	<u>Description</u>
K	Project Study Report
0	Project Report
1	Plans, Specification, and Estimate/Design
2	R/W Operations
3	Construction Engineering
4	Construction (Major, Minor A, Maintenance Contracts)
5	Minor B Contract
7 & 8	Miscellaneous-Service Agreements, Co-op Agreements, Day Labor
9	R/W Capital
H	R/W Hardship or Protection

3.02.02.01 **Phase 2 - Support**

A multiphase project EA ending with 2 accounts for R/W support expenditures. The Phase 2 EA covers labor charges and all operating and equipment expenses chargeable to a project.

3.02.02.02 **Phase 9 - Capital**

A multiphase project EA ending with 9 accounts for R/W capital outlay expenditures. The Phase 9 EA usually covers costs of:

- R/W acquisition.
- Excess land.
- Inverse condemnation.
- Gains and losses from sales of excess land.
- Title and escrow fees.
- Condemnation expert witnesses.
- Condemnation deposits.
- RAP.
- Demolition.
- Clearance.
- Utility relocation.

3.02.03.00 **Single Phase EA**

The types of Single Phase EAs (9XXXXX) are:

- **Overhead** - to record costs incurred by each function/organization in managing, supervising, and supporting the work and personnel of their areas of responsibility.
- **Owner-Operator** - to record costs considered necessary to ensure the integrity of the Highway System, but which do not directly relate to delivery of a project. (Effective July 1, 1999, it is no longer a valid EA category.)
- **Programmatic** - to record costs associated with achieving the goals of the Department's noncapital outlay programs (e.g., Airspace, Outdoor Advertising).
- **Single Task** - for projects with only one phase (function of work).
- **Service Center** - to record time spent by Caltrans employees for technical services for the department's functional units (e.g., Information Services, Equipment, and Legal).
- **Reimbursed Work for Others** - to record costs of performing work requested by and for the benefit of an entity external to Caltrans.

3.02.04.00 **Establishing EA**

The District Project Control Officer assigns EA numbers sequentially, and district P&M is responsible for creating R/W EAs. Normally, R/W EAs are created from the K, 0, or 1 phases established by the District Project Control Officer. This enables the Department to maintain standard identification of projects for proper tracking and management of project costs.

District P&M must ensure that EAs for federal-aid projects are masterfiled before commencing R/W work. Also, if EAs were previously established as State only funded, and federal participation is now secured on the project, then District P&M must adjust the EA funding source effective with the approval of the E-76.

Accounting occasionally establishes nonproject-related EAs for special purposes; for example, EA 0R0009 for recording credits on excess land sales where the original project EA cannot be identified or no longer exists.

Headquarters Project Control Branch provides “clearinghouse” controls on EAs input to the TRAMS EA Table for consistency with legal, financial, and administrative authorities or policies on work and maintains the integrity of the overall system and process.

R/W must conform to the standard identification system to avoid discrepancies between identification of the same project in TRAMS and PMCS. (See Project Management Directive Number PMD 99-02 on Project Identification.)

The table on the following page entitled “EA Process” provides an overview of the process for establishing or supplementing R/W EAs.

3.02.05.00 **EA Adjustments for Combined and Split Projects**

Upon notification from Project Development to combine or split projects, R/W must adjust project EAs according to instructions in Exhibit 3-EX-1.

The correct use of the EA under specific conditions is as follows:

- **Split Projects** - When a project is split into two or more smaller projects, each resulting project shall be treated as a segment of the original project. The reason for not keeping the original EA is to separate costs incurred before and after the split.
- **Combined Projects** - When two or more projects are combined, the EA of the largest project shall have a “U” substituted for the fifth character as the new EA, which is used in both TRAMS and PMCS. Subsequent combinations should use V, W, X, and Y in the fifth character of the EA.

NOTE: Largest project means the project with the highest estimated cost. This means **Minor B** projects are combined into **Minor A** projects; **Minor A** projects are combined into **Major** projects and **NOT** the other way around.

EA PROCESS		
Step	Responsible Party	Action
1	District P&M	Accesses the PRIME System using EA phase-in method to create R/W Phase EA.
2		Approves authorized amounts for R/W EA.
3		Sends EA to District Project Control via electronic processing of the PRIME System.
4	District Project Control	Reviews EA for proper coding.
5		Forwards EA via electronic PRIME system to HQ Project Control.
6	HQ Project Control	Reviews and approves EA for masterfiling in TRAMS.

3.02.06.00 **Suspending EA**

The EA is suspended when district R/W determines that R/W work is completed and expenditures are fully recorded. District P&M initiates this action by changing the status code from 40 to 70 in accordance with instructions for PRIME EAS.

Occasionally, Headquarters Federal Program Accounting requests a change in the status code for R/W EAs (from 40 to 70) related to a federal-aid project after the federal-aid project is in the final vouchering stage.

3.02.07.00 **Purging EA**

Headquarters Project Control annually purges the EA Table of all EAs that are in Status Code 90 (Closed) once purge criteria for an EA is met.